

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates – 25–26 February 2009

**Question: aet 51**

**Topic: Social Housing – New & Existing**

**Hansard Page: E67 (25 February 2009)**

**Senator BUSHBY asked:**

**Senator BUSHBY**—I do not think this has been covered. I mentioned this earlier, but Senator Cormann has asked for these questions to be asked. He has some of them tailored specifically to WA, but I think they apply equally to each state. How much of the social housing initiative will be in new housing and how much of the money spent will be for repair and maintenance of existing public housing?

**Ms Furnell**—As was published in the Updated Economic and Fiscal Outlook, \$400 million is for maintenance.

**Senator BUSHBY**—How much does that leave for the new housing?

**Ms Furnell**—The remainder of the—

**Senator BUSHBY**—Just for the record.

**Ms Furnell**—Yes. I would just have to take that off the total, which I would need to do separately. It is just that it is published as a single line. I am sorry; it is \$6 billion.

**Senator BUSHBY**—So \$400 million of the \$6 billion is for maintenance. How will the total package of \$16 billion be divided between each state?

**Ms Furnell**—I do not have that data here. It is a separate process being run by FaHCSIA. I could refer that question to FaHCSIA.

**Senator BUSHBY**—Are you aware of whether that has actually been determined?

**Ms Furnell**—I am not aware of whether it has been determined. I think there is a process of application, so it may not be clear at this stage.

**Senator BUSHBY**—So it may not be clear at this stage how much of that each state is getting.

**Ms Furnell**—That is right.

**Senator BUSHBY**—Do we know who will administer the package? Will there be tenders and accountability approvals? How will that be approached? I would imagine that FaHCSIA is managing that.

**Ms Furnell**—I understand that it is a process of approval and tenders through the states in some cases. As Mr Ray indicated, there may be others, other than state government housing authorities, involved. I can seek further detail from FaHCSIA, if you would like me to.

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**Answer:**

**The below response was provided to Treasury by the Department of Families, Community Services and Indigenous Affairs.**

The initiative will provide funding of \$6 billion over three and a half years from 2008-09 to 2011-12 for the construction of new social housing and a further \$400 million over two years for repairs and maintenance to existing public housing dwellings.

The Commonwealth has overall responsibility for the initiative, with a National Coordinator General and State and Territory Coordinator Generals providing oversight.

The funding will be allocated to State and Territory Governments on a per capita basis. The Government has already approved proposals from the States and Territories under the repair and maintenance element and work has already begun on the upgrade of around 45,000 homes.

The construction of new social housing will take place in two stages. The first stage involves bringing forward the construction of approximately 2,300 social housing dwellings. The majority of these projects already have planning approval and will commence this financial year.

The second stage involves competitive selection processes that will be run by State and Territory governments. States must complete a competitive tender process by 30 June 2009 and submit proposals to the Australian Government for it to make decisions before 30 August 2009.

Funding will be allocated to jurisdiction on a population share basis, provided proposals meet the requirements set out in the National Partnership Agreement on the Nation Building and Jobs Plan.